



BellSouth Telecommunications, Inc.
333 Commerce Street
Suite 2101
Nashville, TN 37201-3300

joelle.phillips@bellsouth.com

01 AUG 3 AM 8 43

Joelle J. Phillips
Attorney

EXECUTIVE SECRETARY
615 214 6311
Fax 615 214 7406

July 31, 2001

**VIA TELECOPIER
(615) 741-5105**

Honorable Richard Collier
Hearing Officer
Tennessee Regulatory Authority
460 James Robertson Parkway
Nashville, Tennessee 37243-0505

Re: *Second Complaint of Discount Communications Against BellSouth Telecommunications, Inc.*
Docket No. 00-01151

Dear Mr. Collier:

Attached please find the bankruptcy petition filed last Friday by Discount, which I received yesterday from debtor's counsel. We also received a copy of the petition from Boulton, Cummings, but we notice that the petition provided by debtor's counsel has been altered by a handwritten notation changing the amount owed to BellSouth from \$250,000 to \$90,000.

I have spoken with Homer Cody, the attorney representing Discount in its bankruptcy case. As of yesterday, Mr. Cody was not willing to agree to jointly move the Bankruptcy Court to lift the stay to allow the hearing to go forward without further conversations with his client. Given the timing of events, I do not believe it would be feasible to have a motion heard by the Bankruptcy Court prior to our scheduled hearing, even if Mr. Cody were to agree to a joint motion upon further consideration today. In the absence of Bankruptcy Court authority to proceed, BellSouth is concerned that proceeding with the hearing would be deemed a violation of the stay.

Honorable Richard Collier
July 31, 2001
Page 2

I have spoken with Henry Walker, and he has confirmed that Discount has filed bankruptcy. He has not been authorized by bankruptcy counsel to proceed with today's hearing.

Cordially

A handwritten signature in black ink, appearing to read "Joelle Phillips". The signature is fluid and cursive, with the first name "Joelle" written in a larger, more prominent script than the last name "Phillips".

Joelle Phillips

JP/jej

Enclosure

cc: Vance Broemel, Esquire (w/enclosure)
Henry Walker, Esquire (w/enclosure)
Homer Cody, Esquire
Guy Hicks, Esquire

Honorable Richard Collier
July 31, 2001
Page 3

bcc: Mike Coury, Esquire (w/enclosure)
Kim Sands, Esquire (w/enclosure)

HOMER L. CODY

ATTORNEY AT LAW

TEL.: (901) 544-9441 FAX: (901) 544-9443

E-MAIL: HCODY@BELLSOUTH.NET

FACSIMILE TRANSMITTAL SHEET

TO: Ms. Joelle Phillips, Esq. FROM: Homer L. Cody, Attorney
DATE: 7/30/01
COMPANY: BellSouth
FAX NUMBER: (615) 214-7406
TOTAL NO. OF PAGES INCLUDING COVER: 8
PHONE NUMBER: (615) 214-6311
SENDER'S REFERENCE NUMBER:
YOUR REFERENCE NUMBER:
RE: ATM/Discount Communications, Inc.

☐ URGENT ☐ FOR REVIEW ☐ PLEASE COMMENT ☐ PLEASE REPLY ☐ PLEASE RECYCLE

NOTES/COMMENTS:

Please find attached the emergency petition of the above referenced debtor. For clarity the bankruptcy number is 01-31167-L. Should you have any more questions please do not hesitate to contact me.

H. Cody

POPLARWEST BUSINESS CENTER
605 POPLAR AVENUE
MEMPHIS, TENNESSEE 38105

FORM 1. VOLUNTARY PETITION

United States Bankruptcy Court
Western District of Tennessee

VOLUNTARY PETITION

RE (Name of debtor: if individual, enter Last, First, Middle)
ATM/Discount Communications, Inc.

NAME OF JOINT DEBTOR (Spouse) (Last, First, Middle)

ALL OTHER NAMES used by the debtor in the last 8 years
See attached Exhibit A

ALL OTHER NAMES used by the joint debtor in the last 8 years

DOC. SEC./TAX I.D. NO. (if more than one, state all.)
62-1752118

DOC. SEC./TAX I.D. NO. (if more than one, state all.)

STREET ADDRESS OF DEBTOR (No. and street, city, state, and zip code)
3798 Park Avenue
Memphis, TN 38111-8649

STREET ADDRESS OF JOINT DEBTOR (No. and street, city, state, and zip code)

COUNTY of residence or principal place of business
Shelby

COUNTY of residence or principal place of business

MAILING ADDRESS OF DEBTOR (if different from street address)
3798 Park Avenue
Memphis, TN 38111-8649

MAILING ADDRESS OF JOINT DEBTOR (if different from street address)

LOCATION OF PRINCIPAL ASSETS OF BUSINESS DEBTOR (if different from above)

VENUE (Check one box)

- ☒ Debtor has been domiciled or has had a residence, principal place of business, or principal assets in the District for 180 days immediately preceding the date of this petition or for a longer part of such 180 days than in any other District.
- ☐ There is a bankruptcy case concerning debtor's affiliate, general partner, or partnership pending in the District.

INFORMATION REGARDING DEBTOR (Check applicable boxes)

TYPE OF DEBTOR (Check one box)
☐ Individual
☐ Joint (Husband & Wife)
☐ Partnership
☐ Other

☐ Corporation Publicly Held
☐ Corporation Not Publicly Held
☐ Municipality

NATURE OF DEBT (Check one box)
☐ Non-Business/Consumer

☐ Business (Complete A & B below)

A. TYPE OF BUSINESS (Check one box)
☐ Farming
☐ Professional
☐ Retail/Wholesale
☐ Railroad
☐ Transportation
☐ Manufacturing/Mining
☐ Stockbroker
☐ Commodity Broker
☐ Construction
☐ Real Estate
☐ Other Business

B. BRIEFLY DESCRIBE NATURE OF BUSINESS
Telecommunications

CHAPTER OR SECTION OF BANKRUPTCY CODE UNDER WHICH THE PETITION IS FILED (Check one box)

☐ Chapter 7
☐ Chapter 9
☐ Chapter 11
☐ Chapter 12
☐ Chapter 13
☐ Sec. 304 - Case Ancillary to Foreign Proceeding

SMALL BUSINESS (Chapter 11 only)

- ☐ Debtor is a small business as defined in 11 U.S.C. §101
- ☐ Debtor is and elects to be considered a small business under 11 U.S.C. §1121(e). (Optional)

FILING FEE (Check one box)

- ☐ Filing fee attached
- ☐ Filing fee to be paid in installments (Applicable to individuals only.) Must attach signed application for the court's consideration certifying that the debtor is unable to pay fee except in installments. Rule 1006(b). See Official Form No. 3.

NAME AND ADDRESS OF LAW FIRM OR ATTORNEY

Homer L. Cody
Attorney at Law
605 Poplar Avenue
Memphis, Tennessee 38108
Telephone No. (901) 544-9441

NAME(S) OF ATTORNEY(S) DESIGNATED TO REPRESENT THE DEBTOR
Homer L. Cody

☐ Debtor is not represented by an attorney. Telephone no. of debtor not represented by an attorney:

STATISTICAL/ADMINISTRATIVE INFORMATION (28 U.S.C. § 504) (Estimates only - Check applicable boxes)

- ☐ Debtor estimates that funds will be available for distribution to unsecured creditors.
- ☐ Debtor estimates that, after any exempt property is excluded and administrative expenses paid, there will be no funds available for distribution to unsecured creditors.

ESTIMATED NUMBER OF CREDITORS					
1-18	19-48	49-99	100-199	200-999	1000-over
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESTIMATED ASSETS (in thousands of dollars)					
Under 50	50-99	100-499	500-999	1000-9999	10,000-99,000
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ESTIMATED LIABILITIES (in thousands of dollars)					
Under 50	50-99	100-499	500-999	1000-9999	10,000-99,000
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
EST. NO OF EMPLOYEES (CH 11 & 12 ONLY)					
0	1-19	20-99	100-999	1,000-over	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
EST. NO OF EQUITY SECURITY HOLDERS (CH 11 & 12 ONLY)					
0	1-19	20-99	100-499	500-over	
<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

THIS SPACE FOR COURT USE ONLY

U.S. BANKRUPTCY COURT
WESTERN DISTRICT OF TENN.
JUL 27 P 1:00
JED C. WENTRUB
CLERK OF COURT
RECEIVED

**Exhibit A to Voluntary Petition
Other Names Used by Debtor in Last 6 Years**

Discount Communication Inc.
Discount Communications
ATM/Discount Communications, Inc.
ATM/Discount Communications
ATM/Discount Comm. Inc.
ATM/Discount Comm.
Airtime Management, Inc.
ATM/Discount Communication, Inc.
Discount Comm.
Discount Comm. Inc.

Form 4. LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

United States Bankruptcy Court
Western District of Tennessee

ATM/Discount Communications, Inc.

Debtor

Case No. _____

Chapter _____

11

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS

Following is the list of the debtor's creditors holding the 20 largest unsecured claims. The list is prepared in accordance with Fed. R. Bankr. P. 1007(d) for filing in this chapter 11 [or chapter 9] case. The list does not include (1) persons who come within the definition of "insider" set forth in 11 U.S.C. § 101, or (2) secured creditors unless the value of the collateral is such that the unsecured deficiency places the creditor among the holders of the 20 largest unsecured claims.

Name of creditor and complete mailing address, including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed, or subject to setoff	Amount of claim [If secured, also state value of security]
South Telecommunication Commerce Street Memphis, TN 37201-3300			disputed	880,000.00 90,000.00
Bee P. Box 4270 Mans, OH 44701-4270				880.70
Ice Depot P. Box 30292 Salt Lake City, UT 84130-0292				888.58
Rice Max P. Box 30292 Salt Lake City, UT 84130-0292				2,128.44
Home Depot P. Box 105991 Atlanta, GA 30348-5991				3,139.50

ATM/Discount Communications, Inc.
Debtor

Case No. _____

LIST OF CREDITORS HOLDING 20 LARGEST UNSECURED CLAIMS
(Continuation Sheet)

Name of creditor and complete mailing address, including zip code	Name, telephone number and complete mailing address, including zip code, of employee, agent, or department of creditor familiar with claim who may be contacted	Nature of claim (trade debt, bank loan, government contract, etc.)	Indicate if claim is contingent, unliquidated, disputed, or subject to setoff	Amount of claim (if secured, also state value of security)

DECLARATION UNDER PENALTY OF PERJURY ON BEHALF OF CORPORATION OR PARTNERSHIP

I, the Vice-President of the corporation named as the debtor in this case, declare under penalty of perjury that I have read the foregoing List of Creditors Holding 20 Largest Unsecured Claims and that it is true and correct to the best of my information and belief.

Date July 27, 2001

Signature Morris Harris, Sr.
Morris Harris, Sr.
Vice-President

Penalty for making a false statement or concealing property: Fine of up to \$500,000 or imprisonment for up to 5 years or both
18 U.S.C §§ 152 and 3571.

Homer L. Cody
Attorney at Law
605 Poplar Avenue
Memphis, TN 38105

Bell South Telecommunication
333 Commerce Street
Nashville, TN 37201-3300

McBee
P. O. Box 4270
Athens, OH 45701-4270

Office Depot
P. O. Box 30292
Salt Lake City, UT 84130-0292

Office Max
P. O. Box 30292
Salt Lake City, UT 84130-0292

Rossman & Company
P. O. Box 29917
Columbus, OH 43229-7517

The Home Depot
P. O. Box 105991
Dept. 24
Atlanta, GA 30348-5991

The Home Depot CRC
GE Capital Financial, Inc.
P.O. Box 9767
Macon, GA 31297

US LEC Corp.
P.O. Box 601310
Charlotte, NC 28260-1310

Name of Debtor ATM/Discount Communications, Inc.

Case No. _____ (Court use only)

FILING OF PLAN

Chapter 9, 11, 12 and 13 cases only. Check appropriate box.

Is attached.

☐ Debtor intends to file a plan within the time allowed by statute, rule, or order of the court.

Copy of the debtor's plan dated _____

PRIOR BANKRUPTCY CASE FILED WITHIN LAST 8 YEARS (If more than one, attach additional sheet)

Date Filed
11/18/00

Where Filed
Eastern District of Tennessee

Case Number
00-33928

PENDING BANKRUPTCY CASE FILED BY ANY SPOUSE, PARTNER, OR AFFILIATE OF THE DEBTOR (If more than one, attach additional sheet)

Date

Name of Debtor

Case Number

- None -

District

Judge

Relationship

REQUEST FOR RELIEF

Debtor is eligible for and requests relief in accordance with the chapter of title 11, United States Code, specified in this petition.

SIGNATURES

ATTORNEY

Date

CORPORATE OR PARTNERSHIP DEBTOR

Signature of Homer L. Cody

INDIVIDUAL/JOINT DEBTOR(S)

I declare under penalty of perjury that the information provided in this petition is true and correct.

I declare under penalty of perjury that the information provided in this petition is true and correct, and that I have been authorized to file this petition on behalf of the debtor.

Signature of Authorized Individual
Morris Harris, Sr.

Print or Type Name of Authorized Individual
Vice-President

Title of Individual Authorized by Debtor to File this Petition

Date
July 27, 2001

If debtor is a corporation filing under chapter 11, Exhibit "A" is attached and made a part of this petition.

TO BE COMPLETED BY INDIVIDUAL CHAPTER 7 DEBTOR WITH PRIMARILY CONSUMER DEBTS
(See P.L. 96-363 § 322)

I am aware that I may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, understand the relief available under each such chapter, and choose to proceed under chapter 7 of such title.

If I am represented by an attorney, Exhibit "B" has been completed.

Signature of Debtor

Date

Signature of Joint Debtor

Date

EXHIBIT "B" (To be completed by attorney for individual chapter 7 debtor(s) with primarily consumer debts.)

I, the attorney for the debtor(s) named in the foregoing petition, declare that I have informed the debtor(s) that (he, she, or they) may proceed under chapter 7, 11, 12, or 13 of title 11, United States Code, and have explained the relief available under each such chapter.

Signature of Attorney

Date

CERTIFICATION AND SIGNATURE OF NON-ATTORNEY
BANKRUPTCY PETITION PREPARER (See 11 U.S.C. § 110)

I certify that I am a bankruptcy petition preparer as defined in 11 U.S.C. § 110, that I prepared this document for compensation, and that I have provided the debtor with a copy of this document.

Printed or Typed Name of Bankruptcy Petition Preparer

Social Security Number

Address

Tel. No.

Names and Social Security numbers of all other individuals who prepared or assisted in preparing this document:

If more than one person prepared this document, attach additional signed sheets conforming to the appropriate Official Form for each person.

X

Signature of Bankruptcy Petition Preparer

A bankruptcy petition preparer's failure to comply with the provisions of title 11 and the Federal Rules of Bankruptcy Procedure may result in fines or imprisonment or both.
11 U.S.C. § 110; 18 U.S.C. § 1592